



DEFENSE LOGISTICS AGENCY

AMERICA'S COMBAT LOGISTICS SUPPORT AGENCY



Enterprise Line of Accounting (LOA)

Joint DOD Supply/Finance Process Review Committee (PRC) Meeting

by
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Draft Enterprise Line of Accounting (LOA) Logistics Overview



- **Issue:** DCMO/DPAP/OSD(C) are trying to solve a department-wide problem with multiple versions of a LOA. Proposed solution requires supply and finance communities to provide a full line of accounting in specific format vice variations in format or referential data. Among many impacts/concerns, would require significant modification to supply and finance programs/processes if applied to requisitioning, material returns program and Interfund billing.
- **Goals - initial meeting DCMO, OSD(C) staff, DOD Process Review Committees (PRCs):**
 - Understand LOA proposal, high level impacts/concerns, next steps, timeline; ask question.
 - All participants leave with an understanding of issues/impacts to articulate to leadership, prepare for Business Enterprise Common Core Metadata meeting tomorrow, and prepare for next steps
- **Sequence - due to DCMO, OSD(C) staff time limitation (first hour only)**
 - FPRC Chair brief first three slides to introduce issues and concerns and questions - hold discussion
 - DCMO & OSD(C) address:
 - Next steps, timeline, need and relationship to logistics
 - Legacy cross- walk requirement
 - Impact on DLMS
 - General discussion and questions by all
 - Summary for DCMO, OSD(C)
 - PRCs continue discussion as needed

(LOA)

Logistics Impacts - Supply and Finance



- **Potential unintended impact on requisitioning, material returns, and Interfund billing**
 - If LOA vice Fund Code required, requisitions created outside the requisitioner's ERPs impacted: Emergency Centers, Post-Post; Web ordering systems - DOD EMALL, GSA Advantage, food, medical
 - Interfund summary level and detail billing via 2 character referential Fund Code - \$56 billion per year
 - Potential unmatched financial transactions impacting DoD material weakness, mission support
 - Cost, data storage, bandwidth (particularly remotely deployed units and Navy ships) not addressed
- **Legacy feeder system ability to cross-walk required - intent not clear**
 - Referential data using Fund Code not feasible for all proposed LOA content
 - Fund Code is the only data available from transactions for non-DLMS capable systems
- **LOA data elements:**
 - Not all elements identified in list are deemed components of an LOA or required by Treasury
 - Data must be known to and provided by the requisitioner/requisitioning system.
 - Cost objects (Budget Line Item Identifier, Cost Center Identifier, Project Identifier, Activity Identifier, Work Order #), were evaluated in by Logistics deemed of no value to the seller appropriate for transaction exchange

Draft Enterprise Line of Accounting (LOA) Logistics Impacts - Supply and Finance



- **General comments:**

- Recommend cost estimate per SECDEF memo “Consideration of Cost in Decision Making”
- Sequential data transmission and delimiters is inconsistent with/not authorized by American National Standards Institute X12 data mandated for Logistics interoperable data exchange - clarification needed
- Long term dual functionality required (Fund Code & LOA) for DoD and federal trading partners
- Referential data (referred to as “short key” in draft LOA memo)
 - Universally accepted best business practice in the federal and private sectors . Includes National Stock Number (NSN), DoD Activity Address Code (DoDAAC), Fund Code, social security number,
 - Uses unique identifier linked to referential authoritative database maintained by data owner
 - Fund Code and DoDAAC currently supported by extraordinary robust edits & well defined DOD policy and processes
- Issues appear primarily procurement & ERP focus group related, but LOA applies to all



LOA - Accounting Classification, Data Element Name, Length

- **Department Regular (3):** A1 in SFIS; Examples: ex. 021 Army, 017 Navy, 057 Air Force; 097 ODOs
- **Department Transfer (3):** A2 in SFIS; Example: A transfer of obligation authority from DOE ex. 089
- **Main Account (4):** A3 in SFIS; Synonymous with Basic Symbol, Appropriation Symbol ex. 4930
- **Sub Account (3):** A4 in SFIS; Indicates the relationship to the Main Account ex. 002
- **Sub Class (2):** A7 in SFIS; Grouping of a transaction type ex. 46 Payments from Current Appropriations for Obligations of Closed Accounts
- **Availability Type (1):** A24 in SFIS; Examples: X = No-year TAS
- **Business Event Type Codeⁱ (8):** T20 in SFIS; Replaces Transaction Codes ex. DISB - Disbursement
- **Beginning Period of Availability Fiscal Year Date (4):** A27 in SFIS - 2012
- **Ending Period of Availability Fiscal Year Date (4):** A28 in SFIS - 2012
- **Limit (4);** Not in SFIS; however, most systems account for sub-allocations via Limit - 2504
- **Reimbursable Flag (1);** A9 in SFIS; Examples: Direct, Reimbursable Code ex. D or R
- **Budget Line Item (16);** B4 in SFIS; Further sub-divides the Treasury Account Fund Symbol below sub-activity ex. 111
- **Object Class (6);** B6 in SFIS; Will initially be the three-digit level as in SFIS with room to expand to six ex. 252
- **FMS Customer Code (2);** T21 in SFIS; Foreign Military Sales (FMS); The country receiving the product/service **FMS Case Identifier (3);** T22 in SFIS; Identifies the FMS contractual sales agreement between countries ex. 346
- **FMS Case Line Item Identifier (3);** T23 in SFIS; Identifies a detailed line-item requirement ex. 001
- **Agency Disbursing Identifier Code (8);** 02 in SFIS; Synonymous with Treasury DSSN for each disbursing office
- **Cost Object 1 (16);** CA in SFIS; Reserved for Component use
- **Cost Object 2 (16);** CA in SFIS; Reserved for Component use
- **Cost Object 3 (16);** CA in SFIS; Reserved for Component use
- **Cost Object 4 (25);** CA in SFIS; Reserved for Component use
- **Agency Accounting Identifier (6);** O3 in SFIS; Fiscal Station Number; Comptroller defined; Identifies the accounting system responsible for the accounting event ex. 021001 - DFAS Indianapolis (GFEBS)



Current Proposed Implementation Under Consideration

- Target date for interface compliance/updates is July 2012
- Components and Organizations, such as DPAP, Logistics, and DFAS will update their LOA or system interface agreements/crosswalks to order data elements as presented in Attachment A, adhering to SFIS format rules.
- Interim and Target Systems will ensure all applicable accounting classification data is present in the Enterprise LOA.
- Legacy business feeder systems used for audit readiness goals must establish: crosswalks to SFIS/Interface to DDRS and the Enterprise LOA
- Enterprise systems will upgrade to handle the Enterprise LOA

Notes for Implementation:

- Not all elements will be used in all transactions. It depends on what the transaction is. Data elements not used will be left blank in between “^”s
- Wrapping of the length of the LOA string must be configured for and accounted for in all legacy feeder systems; ERPs have individual fields for elements in the Enterprise LOA
- The requirement will be a part of the SFIS requirements and systems will be required to include this as part of their overall SFIS Implementation Plan